

Notice of an Oral *Ex Parte* Presentation

January 30, 2003

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket No. 01-338;
Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98;
Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147;

Dear Ms. Dortch:

On Tuesday, January 28, 2003, on behalf of the High Tech Broadband Coalition (HTBC), Peter Pitsch of Intel, Grant Seiffert and Derek Khlopin of the Telecommunications Industry Association, David Peyton of the National Association of Manufacturers, Veronica O'Connell of the Consumer Electronics Association, Paul Kenefick of Alcatel, Doug Cooper of Catena Networks, John Boidock of Texas Instruments, Tricia Rimo of SAIC/Telcordia and Stan Fendley of Corning met with Wireline Competition Bureau Chief Bill Maher and bureau members Jeff Carlisle, Tom Navin and Brent Olson regarding the above referenced proceedings. They stressed the importance of fundamentally reforming the unbundling rules to create strong incentives to deploy new last mile broadband facilities.

In particular, they stated that HTBC believes that the competitors should continue to get access to existing unbundled facilities but not new packet-based facilities. Thus, existing non packet loop capabilities over copper and hybrid fiber/copper loop facilities would continue to be available to CLECs, including high capacity UNEs, e.g., DS-1s, subject to Commission determinations with respect to "impairment".

They stated that these policies could be accomplished by modifying the definition of "broadband loop" in the HTBC's previously filed draft rule language. The previous draft stated that defined a broadband loop as any fiber-based facility that is used "in whole or in part to transmit packetized information and the associated equipment attached thereto.

That definition should be amended to read to cover any transmission path over a fiber facility deployed on the customer side of the central office, and attached equipment,

that is used to transmit packetized information and 2) any transmission path over a fiber facility deployed on the customer side of the central office, and attached equipment, that utilizes optical technology to transmit video information. Also, included would be any electronics attached to a copper loop that is used in conjunction with or facilitates packetized transmission over such a loop.

In this way the definition of a broadband loop would not include existing non packet loop capabilities provided over copper and hybrid fiber/copper loop facilities. For example, DS-1s provided over TDM facilities would remain available subject to a Section 251 impairment analysis.

This approach would assure that the competitors continue to get what they get today, but at the same time give all carriers the incentive to invest in new last mile fiber and related broadband facilities where the incumbent local exchange carriers have no unfair advantage and face actual and potential competition from cable modem service providers.

Also, the HTBC representatives stated that the changes should apply to small business customers as well as residential customers. Small business customers should be considered part of the relevant broadband market. This market is nascent and dynamic and proper impairment analysis should consider actual and potential competition in this market. Cable companies and other competitors have a growing presence in the small business segment of the market. This argument is even more compelling given the above proposed changes to the definition of a broadband loop, because competitors will be able to continue to get access to existing DS-1s.

Pursuant to Section 1.1206 of the Commission's Rules, 47 C.F.R. § 1.1206, a copy of this submission is being provided to Mssrs. Maher, Carlisle, Navin and Olson. Please contact the undersigned with any questions in connection with this filing.

Respectfully submitted,

/s/ Peter K. Pitsch

Peter K. Pitsch
Intel Corporation
Director, Communications Policy

cc:
Bill Maher
Jeff Carlisle
Tom Navin
Brent Olson